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THIRD QUARTERLY OUTLOOK FOR WORLD MEAT
PRODUCTION AND TRADE IN 1978

Current forecasts for 1978 meat production in the key commercial markets of the world (i.e., United States, European Community, Japan, and Canada) indicate a slight increase from last year's 46.7 million metric tons (Table 4). Pork and poultry production is forecast to increase by more than 830,000 tons or about 3 percent above 1977 output, thus outweighing an expected overall decline of about 513,000 tons in beef and veal production in these markets.

In 1978, net meat imports in these markets are expected to be about 7 percent above those of 1977, primarily because of anticipated higher net imports into the United States and Japan (Table 5). Higher U.S. imports of beef are forecast in view of the higher level of import limits announced in June. In the case of Japan, imports of pork are forecast to increase because of continued strong demand, lower hog slaughter in the second half of the year than previously expected, and continued high price levels for competing meats and fish. Japanese imports of beef also are expected to increase as a result of recent negotiations with trading partners.

In the major exporting countries of Latin America and Oceania, beef and veal production in 1978 is forecast very slightly above the record 7.3 million tons in 1977. Production of beef in Australia is forecast to be about 9 percent below the record level of 1977. New Zealand's beef output is also forecast to be below last year's level. In each country the dry pasture conditions reported previously have been alleviated by recent rains. In contrast to Oceania, beef output in Argentina, Uruguay, and Central America is forecast to exceed 1977 levels and will more than compensate for the decline in Oceania's output. Furthermore, while 1978 output will be lower in Oceania, both Australia and New Zealand began 1978 with relatively large stocks.

Unless otherwise indicated, red meat trade is in terms of carcass weight (bone-in) equivalents; poultry trade is on a product weight basis. All weights are in terms of metric tons unless otherwise indicated.

The level of world imports of beef is forecast to remain high, but smaller supplies will push prices above those of 1977. The United States is expected to import slightly more than 1 million tons in 1978, about 135,000 tons more than in 1977. On the other hand, European imports are forecast to be somewhat below last year's in view of higher domestic supplies. The major uncertainty regarding world imports remains Soviet buying intentions. There has been no known buying activity by the Soviets so far this year in contrast to an estimated import level of 350,000 tons in 1977.

It appears that world beef supplies will be well maintained in 1978, due in part to further liquidation of numbers. In most major exporting regions as well as in the United States and Canada, cattle numbers have been declining in recent years. Although this helps to maintain current production of beef, the decline portends less beef in coming years.

With projected cattle inventories in most major producing countries at 1972 levels and an increased world demand for meat because of higher incomes and greater population, a sharp tightening of world beef supplies is expected for the next few years, with resultant higher cattle and beef prices in most producing and consuming countries. Higher pork and poultry production could dampen these price increases, but it is doubtful that this will fully offset the price effect of reduced beef output.

Pork production in the four major import regions is forecast to be about 16.1 million tons in 1978, about 2 percent above 1977 record levels. However, the increase will be somewhat lower than previously expected, indicating some tightening of supplies relative to demand in certain markets. While increased supplies in the EC may meet demand requirements there, the United States and Japan are expected to import larger quantities than in 1977. Traditionally, U.S. imports are mainly canned hams and these are expected to increase this year but also the import of fresh, chilled, or frozen pork may rise, especially from Canada.

Poultry production in the four major markets should reach a record level of about 10.9 million tons in 1978. The biggest increases will be in the United States and the EC. Thus, exports from these two areas are expected to grow. U.S. exports to Japan, the largest poultry market for the United States, should increase as should shipments to Hong Kong, Singapore, and other traditional markets. The Middle East is expected to be a growing market for poultry from both the EC and the United States.

MAJOR IMPORTERS

United States

Rising consumer incomes are expected to keep the demand for meat strong through the remainder of the year. The strong demand and smaller supplies of red meat are resulting in a sharp rise in retail meat prices this year over 1977.

During late May and early June fed cattle prices rose to over \$60 per 100 pounds, about 50 percent above year-earlier levels. These higher prices extended the trend in month-to-month increases that had begun early in the year. The rise reflected reductions in beef supplies, lower than expected pork output, and a continued strong demand for beef. The 12 percent decline in placements of cattle on feed during April in the seven major states may have also contributed to the sharper than expected price run up in May.

It appears that prices rose faster and higher than could be explained by underlying economic conditions. Over the first 5 months of 1978, commercial beef production fell only 2 percent below year-earlier levels, while pork production increased slightly and poultry output rose 7 percent.

During June, choice steer prices declined sharply. The 37 percent increase in cattle placements during May compared with the year-earlier level probably contributed to this decline despite strong demand conditions.

Beef production in the second half of 1978 may drop 4 to 5 percent below the year-earlier output although there is a heavy placement of cattle on feed. A sharp drop in nonfed cattle slaughter will more than offset higher fed cattle slaughter. Lower beef output combined with small expected increases in pork production will likely support choice cattle prices in the mid \$50 range per 100 pounds, well above year-earlier levels.

The June 1 inventory of market hogs indicates that U.S. hog numbers may increase about 4 percent during the second half of 1978. Hog slaughter will likely increase 1 to 3 percent during the second half, and with expected heavier carcass weights, pork production should increase by 3 to 4 percent.

Following sharp increases in producer prices for livestock and poultry, retail prices for red meats advanced sharply during the first few months of 1978. However, these retail prices rises did not fully reflect the rise in producer prices, particularly for beef. Therefore, retail meat prices probably will continue well above year-earlier levels, despite the recent drop in producers' prices for livestock.

Total U.S. imports of beef and veal in 1978 are forecast at 1,025,000 tons, 15 percent above the 1977 level. On June 8, President Carter announced that total U.S. imports of fresh, chilled, and frozen beef, veal, mutton, and goat would be increased by 90,719 tons to 676,903 tons.

This increase in the allowable level of beef imports should have little impact overall on cattle prices, as it will add only about a half kilogram to per capita meat consumption. Domestic beef and meat production and the course of consumer demand will be the major forces determining U.S. cattle prices.

Because of the high U.S. prices for boneless manufacturing beef vis-a-vis other markets available to major exporters, most of the supplying countries are expected to meet the new larger restraint level. The increase was allocated among supplying countries according to historical market shares. Australia and New Zealand--the two largest suppliers--received 72 percent of the 90,700-ton increase.

U.S. exports of beef and veal are expected to total 60,000 tons compared with 46,000 tons in 1977. This increase is expected because of larger exports of high-quality beef to Japan.

Pork exports were down in the first 4 months because of reduced sales to Canada and Japan. If Japanese domestic prices strengthen as forecast in the second half of 1978, U.S. exports there should increase over the 1977 levels. Sales to Canada are expected to fall by about 50 percent.

Pork imports were up 16 percent in the first 4 months because of a nearly 100 percent increase in fresh pork from Canada. Canned pork imports were up by 9 percent.

European Community

Total meat production in the European Community in 1978 is forecast to increase about 2 percent over year-earlier levels. This follows a slightly smaller increase in 1977. All types of meat are expected to show some increases in production. The higher production should lead to a decline in net meat imports as net imports of beef and sheepmeat are expected to decline, while net exports of pork and poultry should increase.

Beef and veal production in the Community should be up slightly in 1978 compared with 1977 levels. While total cattle slaughter is expected to be up less than 1 percent, beef and veal production should be up slightly more, reflecting more adult cattle and fewer calves in the slaughter mix. Significant increases in adult cattle slaughter are predicted for West Germany and France, where favorable slaughter cattle

prices will likely tempt cattle raisers to market more cattle.

EC January 1 herd numbers hit a record high in 1975, and a record slaughter followed during that year. The herd count was down significantly on January 1, 1976, and again at the beginning of 1977. A rebuilding phase apparently began during 1977 as total slaughter declined and the 1978 beginning inventory rose. Despite the increased slaughter forecast for 1978, January 1, 1979 herd numbers are expected to be up compared with this year. A large calf crop from the increased cow herd should more than offset the slight increase in slaughter. The herd buildup--particularly in dairy cattle, which are the source of most of the EC's beef supplies--is being encouraged by high EC milk prices, good forage supplies, and favorable prices for protein supplements.

EC intervention stocks of beef, although still high, have been slowly declining since the record levels held at the beginning of 1978. This year, from an early January level of approximately 323,000 tons, product weight, intervention stocks declined to around 290,000 tons by early May. West Germany and Ireland continue to hold nearly two-thirds of these stocks, and along with the United Kingdom and Denmark have been the only significant purchasers of beef for intervention so far this year. As long as the average market prices in these countries remain at less than 90 percent of the EC's guide price, intervention purchases appear likely to continue. The EC's ability to continue to lower its beef stocks, therefore, is dependent on its ability to sell from intervention at a faster rate than stocks are accumulated.

Net EC imports of beef and veal are now forecast to decline in 1978. While exports should remain near 1977 levels, imports are expected to fall. Earlier estimates had forecast EC imports of beef and veal in 1978 to remain about equal to 1977 levels.

Much of the forecast decline in imports is attributable to the United Kingdom. A significant share of the United Kingdom's frozen beef imports from third countries in recent years has come from Botswana under a reduced-levy quota arrangement the EC provides for certain former African, Caribbean, and Pacific colonies (ACP's). However, an outbreak of foot-and-mouth disease (FMD) in Botswana in late 1977 has forced the EC to ban beef imports from that South African country pending control of the disease and an investigation by EC veterinarians. The EC's 1978 ACP quota is approximately 27,500 tons, product weight, and Botswana is allocated about 17,000 tons of that, nearly all of it going to the United Kingdom. Should the ban on Botswana beef last through the end of this year, much of Botswana's unfilled share of U.K. imports would likely be replaced by imports from other EC countries, particularly Ireland, since additional imports from other non-EC countries face very high EC import

levies. Even if the EC reallocated Botswana's quota to other ACP countries, which is highly unlikely, it is doubtful they could fill much of it. Prospects for the EC ban on Botswana beef being lifted in time for Botswana to fill a significant share of its quota are questionable. Should this occur, however, the forecast of EC beef imports would be appropriately higher.

Following a slight decline in the total beef and veal consumption in 1977 over year-earlier levels, consumption in 1978 is expected to be above 1976 levels. Nearly all EC countries are expected to show some increases in beef and veal consumption.

EC hog numbers are expected to increase about 3 percent this year, the same as last year. Pork production in 1978 is expected to be up but not as much as in 1977 since slaughter should fall in the United Kingdom as the herd there is rebuilt and the growth in Italian production is expected to slow.

The EC countries export about 200,000 tons of pork annually to third countries, of which about 7 percent is canned or processed pork. The United States and Japan are the two largest markets. The United States is the largest market for EC canned pork, accounting for over half of those exports, and Japan accounts for about half of the fresh, chilled, or frozen pork exports. In addition, while Japanese imports of EC canned pork were only about 5,000 tons in 1977, this should increase this year because on April 1, 1978 the Japanese removed shelf-stable canned pork from quota restrictions.

EC pork imports consist mostly of fresh, chilled, or frozen carcasses and cuts from Eastern Europe. However, imports have fallen from over 200,000 tons during 1975 to 155,000 tons in 1976 and 111,000 tons in 1977. Imports are expected to remain near this lower level in 1978. Thus, total net exports of pork for 1978 should be about 90,000 tons compared with 82,000 tons last year. The major EC pork importers are the United Kingdom, France, Italy, and Germany.

EC pork prices continued to fall in June and on June 19, the EC authorized private storage payments for pork. The program is similar to last year's and covers a 4 to 6 month period.

Poultry meat production in the EC is forecast to be up about 3 percent over year-earlier levels in 1978, following a similar increase in 1977. Nearly all countries expect at least a slight increase in production, with France and Italy forecast to rise the most. On May 15, 1978, the EC raised the export subsidy on whole slaughtered chickens from 15 u.a. per 100 kgs. to 22 u.a. per 100 kgs. The subsidy applies to exports to third countries in Europe, Africa, on the Mediterranean, on the Persian Gulf, the Arabian Peninsula, Jordan, and Cuba. After MCA adjustments, the subsidies on whole

birds (N.Y. dressed equivalent), in cents per pound, range from 11.2 in the United Kingdom to 16.5 in West Germany, based on exchange rates as of June 5, 1978.

In the policy area, the EC Council of Ministers in mid-May of this year agreed on support prices for the 1978/79 marketing years for the various agricultural commodities covered by a Common Agricultural Policy (CAP). Included among these was a 2.5 percent increase in the guide price for cattle, making the new price 125.97 u.a. per 100 kgs. This resulted in a corresponding increase in support and intervention prices for beef and veal. These prices will remain in effect until April 1, 1979. The Council also agreed to several changes in a few individual member countries' green rates. Green rates are used to convert EC agricultural prices from units of account to national currencies. These changes included devaluations of the French, Irish, Italian, and U.K. green rates and resulted in actual beef support price increases of greater than 2.5 percent for these countries. Thus, actual increases in the support prices for cattle and beef ranged from 2.3 percent in Germany, which slightly revalued its green rate for the beef sector only, to 9 percent in Ireland.

The increase in the guide price for cattle also resulted in an increase in EC cattle and beef import levies for France, Ireland, Italy, and the U.K. and caused reduction in their Monetary Compensatory Amounts (MCA's). Since these four countries are considered weak currency countries relative to the other five EC members, MCA's are awarded on their imports and charged on their exports. Therefore, the MCA reductions caused a net increase in both their levies and subsidies above that which would have been experienced otherwise.

The Council also approved some changes in the beef intervention system. The changes allow for suspension of intervention purchases of certain qualities of beef when prices of these qualities reach certain levels. Previously, if intervention was offered, it had to be offered on all qualities of beef. They also approved continuation of the variable slaughter premiums for cattle and the premium for calf births.

In the pork sector, the Council announced a 2 percent increase in the 1978/79 pork orientation price, raising it to 122.60 u.a. per 100 kgs., carcass weight. This price will not become effective, however, until the beginning of the pork marketing year in November. But, in a move to provide immediate assistance to hog raisers in the four weak currency countries, the Council permitted the green rate devaluations mentioned above to take effect in the pork sector from May 17, 1978, rather than at the beginning of the marketing year as would normally have been the case. Furthermore, also effective May 17, France received a special additional green rate devaluation that applies to the pork sector only. With these recent devaluations, French, Italian, Irish and U.K. pork producers have now received green rate

devaluations, and therefore support price increases of 12, 12, 6, and 8 percent, respectively, since the beginning of this year. These changes in their green rates have also reduced their MCA subsidies on pork imports; however, the subsidies are still large enough to assist movement from the major EC exporters to the U.K., Italy, and France.

Canada

Following a slight rise in production of beef and veal in 1977 over year-earlier levels, Canadian production of beef and veal is expected to decline this year. Total beef and veal production for 1978 is forecast at 1.06 million tons, down 7 percent from 1977. The Canadian cattle cycle appears to be completing the liquidation phase and entering the rebuilding stage with resulting declines in cattle slaughter.

A sizable reduction in beef cow and heifer slaughter, which was heavy in 1977, should contribute greatly to a reduced total cattle slaughter in 1978. Key factors pointing to a reduced female slaughter include lower cow and heifer numbers in the cattle inventory and retention of more heifers this year for breeding in response to favorable feeder cattle prices already being realized early in 1978.

Canadian exports of live cattle, other than for dairy or breeding, in 1977 were 528,000 head, up 18 percent over the 1976 level and are now forecast to be as great or greater in 1978. Virtually all of the exports went to the United States. Previous forecasts had called for a substantial decline in Canadian live cattle exports for 1978. However, through the first 4 months of 1978 cattle exports to the United States, at 194,000 head, were running well ahead of year-earlier levels. Nearly half of the Canadian cattle exported so far in 1978 have been slaughter cattle, mostly slaughter cows. Strong U.S. prices and a declining Canadian dollar have resulted in a heavy southward movement of cull beef cows from western Canada. At the same time, the exchange rate also made cull slaughter cows from east Canadian dairy herds attractive to U.S. buyers. These exports were particularly heavy in the first quarter of 1978 as East Canadian dairy producers approached their milk quota delivery limits for the dairy year ending March 31, 1978, and increased cow marketings resulted.

Feeder cattle exports have also been heavy so far in 1978. Canadian exports of feeder cattle doubled from 1976 to 1977, reaching over 146,000 head. In 1978, feeder cattle exports started slowly but increased as the year progressed, reflecting very strong U.S. feeder cattle prices that moved up sharply in March and April and continued rising in May. Through April 1978, feeder cattle exports to the United States were about 32,000 head, compared with 13,000 head at that point in 1977. Canadian

imports of cattle from the United States fell dramatically during 1977 to 23,000 head compared with over 85,000 in 1976. This decline was caused in part by market conditions and in part by Canadian animal-health requirements. Canadian cattle imports in 1978 are forecast to be even less than in 1977 as strong U.S. prices and the exchange rate should make the Canadian market relatively less attractive to U.S. sellers.

Canada will continue to be a net importer of beef and veal in 1978. Beef and veal imports are limited by a global quota of approximately 67,000 tons, product weight basis, in 1978, about 1,000 tons higher than the 1977 quota. Beef and veal exports, most of which go to the United States, are limited by a bilateral agreement between the two countries, as was the case in 1977. Under the original terms of the 1978 agreement, Canada agreed not to ship to the United States more than 34,564 tons on a product weight basis; however, the United States recently granted about a 5,000-ton increase in this level.

Domestic consumption of beef and veal in Canada is expected to decline in 1978 relative to the 1977 total. Fast climbing retail beef prices resulting from the lower production levels will be the primary cause of this decline. Retail pork prices, which earlier had been expected to decline, are holding firm and may help to slow the decline in beef consumption as Canadian consumers will not be as prone to shift to pork.

Canadian pork production in 1978 is expected to increase about 6 percent. Production is predicted to drop below the first 5 months' slaughter rate, which had been running 9 percent ahead of last year's pace. With the higher production in early 1978, pork imports were down 40 percent and exports up 10 percent. However, export destinations shifted as exports to the United States were up 90 percent while exports to Japan were down 13 percent.

The hog-barley ratio remained favorable into May so that continued hog expansion is expected. The devalued Canadian dollar, increased pork supplies, and high U.S. hog prices all indicate a continued growth in exports and reduction in imports in 1978. Imports are expected to fall to 45,000 tons while exports are expected to increase to 50,000 tons. Thus, despite rising production, domestic availabilities of pork should be less than previously anticipated, resulting in firm retail pork prices and lower domestic consumption.

Poultry meat production rose approximately 3 percent in 1977 over the 1976 level and is expected to increase slightly again in 1978. The major production increase should be in broiler meat, as turkey production is forecast to decline in 1978. With broiler production increasing in 1978, imports will likely decline.

The Canadian Government is still progressing toward the formation of a National Chicken Marketing Agency similar to the existing agencies for turkeys and eggs. Under the proposal, both production and imports of chickens would be controlled. It had been anticipated earlier that the chicken agency would be operational by mid-1978, but political factors in Canada have delayed its implementation. As the delay in implementation continues, it becomes less likely that the agency will have any significant impact on production or trade in 1978.

Japan

With continued high fish prices during the first part of 1978 and expected large availabilities of meat, consumption of red meat and poultry in 1978 is expected to increase by 7 percent over the 1977 level to 3.3 million tons.

Despite continued high retail prices, beef and veal consumption is expected to increase by nearly 7 percent, with the increase coming from both higher domestic production and higher imports. Domestic beef and veal production is forecast to total around 375,000 tons in 1978, 4 percent above the 1977 level. Low feed prices and relatively stable cattle prices have encouraged this expansion of the domestic industry.

Producer support prices on carcass beef for Japanese fiscal year 1978 (April-March) are the same as in JFY 1977. The ceiling price for second-grade dairy steer carcasses is therefore 1,408 yen per kilogram (about \$6.70 per kilogram), while the floor price for these cattle is 1,061 yen per kilogram (about \$5.00 per kilogram). For native Japanese beef cattle, such as the Wagyu, the floor to ceiling price range is 1,303 to 1,730 yen per kilogram (\$6.20 to \$8.00 per kilogram).

Beef and veal imports are expected to rise to 135,000 tons in 1978, 12 percent above last year's level. Australia will likely supply about 80 percent of the total import volume, with the United States and New Zealand furnishing most of the rest.

This increase in imports is anticipated because of higher Japanese beef import quotas. The general beef quota for the first half of JFY 1978 is 40,000 tons (product weight), up 5,000 tons from the same period last year.

The larger quota is in response to recent U.S.-Japan trade discussions. The Japanese and U.S. Governments have agreed on measures to increase Japanese imports of high-quality beef on a global basis by 10,000 tons, effective in the current Japanese fiscal year.

The additional 10,000 tons will elevate Japan's imports of high-

quality beef to at least 16,800 tons. Three thousand tons of the total imports will enter under the hotel quota, which was 1,000 tons last year. The remaining 13,800 tons will be imported under the general quota. The United States, with its high-quality grain-fed beef, should be in an excellent position to capture a fair share of this market.

Pork imports for 1978 are projected to increase 48 percent to 225,000 tons as demand for pork is forecast to grow more rapidly than domestic production. While pork imports through May were down 10 percent, summer hog slaughter is expected to increase only 1 to 3 percent with resultant higher domestic prices and larger imports.

Japanese imports of U.S. pork were 20 percent below the depressed 1977 levels through the end of May 1978; however, with the larger imports forecast, entries from the United States could surpass the 1977 level by year's end.

USSR

According to published Soviet data, the livestock industry surpassed the Five-Year Plan targets for both livestock inventories and meat production in 1977. As of January 1, 1978, total cattle numbers were 112.5 million head, a 2 percent gain from the year-earlier level; cow numbers at 42.6 million head were up 1 percent. Hog inventories grew 11 percent, reaching the high level of 70.3 million head. Sheep and goat numbers were up 1 percent to 146.2 million head as of January 1. Official figures for poultry inventories are still not published. Given good weather conditions and sufficient grain and forage crops, the Soviets will continue to expand herds throughout 1978. As of June 1, 1978, cattle numbers increased 2 percent; cow numbers, 2 percent; hog numbers, 9 percent; sheep and goats, 1 percent and poultry numbers, 9 percent over the year-earlier period. If the Soviets' can continue to build numbers at the present rate, January 1, 1979, inventories for all types of livestock should show substantial gains.

USSR meat production in 1977 was officially published at 14.8 million tons, an increase of 9 percent over the 1976 level. The Soviets are hoping to increase meat production in 1978 by 800,000-900,000 tons. In the first 5 months of 1978 industrial output of meat on State and collective farms in the USSR at 3.2 million tons was up 9 percent from the year-earlier level. In the month of May, meat output at 600,000 tons was 8 percent greater than the May 1977 level. Better feed supplies and heavier-weight animals for slaughter account for this increase in output. If the Soviets continue to have such high levels of output for the remainder of the year, it is conceivable that they might be able to attain the Plan target for 1978 meat production, which was set at

15.6 million tons. For 1978, beef and veal output, including fats and offals, is forecast at 7.2 million tons; pork, 5.3 million tons; mutton and goat meat, 950,000 tons; poultry, 1.7 million tons; and other meat, 350,000 tons.

Soviet imports of meat and meat products in 1977 were officially published at 617,000 tons (product weight), substantially higher than previous expectations based on inventory and production levels. Trade data throughout most of 1977 showed Soviet sales contracts concluded for: Australia, 101,500 tons of beef and mutton; New Zealand, 86,200 tons of beef and mutton; Argentina, 32,100 tons of beef and the European Community, 100,000 tons of poultry meat. The remaining 297,200 tons probably came from either Eastern Europe, Mongolia, or the People's Republic of China. Traditionally, the East European countries have supplied the USSR with substantial quantities of meat either in the form of beef, pork, or poultry meat.

In 1978, total imports of meat and meat products are expected to be in the range of 200,000-300,000 tons. The majority of imports will probably again be from Eastern Europe. To date, the Soviets have not purchased any beef or mutton from Oceania and Argentina. Sales from Oceania to the USSR remain uncertain and many exporters are now concerned that the prospects of "large sales" that had been forecast for 1978 may not materialize.

Eastern Europe

The East European countries are expected to continue to rebuild herds throughout 1978. Official 1977 livestock inventories are still not published. However, cattle numbers for the region, as of January 1, 1978, are estimated at 38.2 million head, up 1 percent; hogs, 69.0 million head, up 8 percent; and sheep and goats, 40.6 million head, up 1 percent from the 1977 levels. Given continued good weather conditions and a abundant supply of feed and forage crops, a moderate increase in herds should occur this year.

Total meat production for 1977 is estimated to be about 10.9 million tons, a 2 percent increase over the 1976 level of 10.7 million tons. Out of the total, red meat production is estimated at 9.3 million tons, a 1 percent increase over the year-earlier level of 9.2 million tons. In 1978 meat production is forecast to increase to 11.0 million tons, a 1 percent increase over the estimated 1977 level. This increase in meat production for the region is anticipated because of the indication of expanding inventories. This, coupled with better feed and forage supplies, should produce heavier weight animals, which will in turn boost meat output.

Poultry meat production increased 7 percent in 1977 and is expected to increase again in 1978. In several East European countries, increases in poultry meat supplies are continuing to augment domestic consumption of protein and are substituting for less available red meats. The East European countries have been net exporters of poultry meat. For those countries for which information is available, the 1977 exports are estimated at 120,000 tons, about the same as in 1976. Current expectations are that poultry exports will increase to 132,000 tons in 1978, a 10 percent gain over the 1977 level. This increase in export levels will be a direct result of production gains.

With an expected increase in numbers and production in the region, imports of meat and meat products are not expected to be substantial in 1978. Australia's exports of beef to Eastern Europe in 1977 totaled 64,166 tons (product weight), while New Zealand's were 12,000 tons. The largest of these shipments went to Poland, 30,309 tons; Romania, 17,652 tons; Yugoslavia, 14,087 tons; and Bulgaria, 2,118 tons. Current expectations are that exports of beef from Australia to Eastern Europe will decline to 35,000 tons in 1978. To date, Australia has shipped 9,000-10,000 tons of boneless beef to Yugoslavia. Presently, the Yugoslavs are in the market for another 10,000 tons of beef for arrival in August. Bulgaria has purchased 3,000 tons of beef from Australia for July-August delivery as well as 2,000 tons of beef from New Zealand.

MAJOR EXPORTERS

Australia

Australian cattle numbers as of March 31, 1978, were reported at 29.14 million head, 7.6 percent below the level reported on the same date in 1977. It was the second consecutive year that cattle numbers have dropped sharply because of poor returns to cattle producers and severe drought conditions. A further decline in cattle numbers as of March 1979 is expected. However, the magnitude of this decline will likely not be as large as in the past 2 years if seasonal conditions continue to improve and recent increases in cattle prices are maintained long enough to restore producer confidence in the cattle industry.

Beef and veal production in 1978 is forecast at 1.9 million tons, 9.2 percent below the record output of 1977. Improved seasonal conditions in many areas since the first couple months of this year have helped to ease cattle slaughterings. The main areas that remain affected by drought are South Australia and the southwest part of Queensland. These areas, however, contain a relatively small part of the Australian cattle population.

Cattle slaughter in the second half is expected to drop well below the

year-earlier level. Cattle prices in recent weeks in many areas have risen about 40 percent above the relatively low year-earlier levels. If these prices continue relatively strong, as is expected, producers may begin to rebuild herds, which will likely cause second-half cow, heifer, and calf slaughter to drop sharply. However, a deterioration of seasonal conditions would cause slaughter to be above the level currently anticipated, which could subsequently raise the beef and veal production estimate slightly.

Because of lower production and recent increases in Australian retail beef prices, beef and veal consumption in 1978 is forecast to drop 6 percent below the level in 1977. Furthermore, an expected 4 percent drop in the production of other meats will limit possible shifts in consumption to these meats.

Beef and veal exports in 1978 are forecast at 1 million tons, 8 percent below the 1977 level. Exports to the United States through most of the first half of this year were heavy, as Australian exporters were taking advantage of high U.S. prices for boneless manufacturing beef. Australia's new voluntary restraint level for beef exports to the United States is about 347,500 tons (product weight), 46,500 tons above the initial level. Despite a recent weakening of U.S. boneless beef prices, the U.S. price remains very attractive to Australian exporters compared with markets outside Japan and Canada. With continued high stocks and no major sales as yet to the USSR or East European countries, Australia is expected to meet its new voluntary restraint level.

Exports to Japan are now estimated at 80,000 tons, product weight. The export quota system that the Australian Livestock and Meat Corporation applied on shipments to Japan has increased prices of beef exports to of beef exports to Japan by about 40 percent, but Australia may have lost some 10 to 15 percent of the Japanese tenders as a result of less aggressive bidding.

Sales to the Middle East are currently expected to total 70,000 tons, product weight, in 1978. Egypt has been a major purchaser of Australian beef this year. Lured by relatively low prices, Egypt brought nearly 11,000 tons of Australian beef in the first quarter of the year.

The outlook for sales to the USSR and the East European countries remains uncertain. It now seems probable that the large sales that had been forecast will not materialize. Thus far, sales of only minor quantities reportedly have been made to Yugoslavia and Bulgaria. In 1977, combined sales to the USSR and Eastern Europe were over 150,000 tons, product weight.

Sheep numbers as of March 31, 1978, totaled 130.5 million, 3.6 percent

below the March 1977 level. With continued favorable sheep prices because of the strong demand for sheep and sheepmeat from the Middle East, sheep numbers could hold or possibly increase during the current year, given favorable seasonal conditions. Mutton production and exports are both expected to drop about 10 percent in 1978.

New Zealand

With continued high cattle slaughter during most of the first half of 1978, beef and veal production in 1978 is expected to total 520,000 tons, 7 percent below the year-earlier but above the level anticipated earlier in the year.

The extensive drought that occurred in some areas of the North Island during the first few months of 1978 has ended. However, cattle slaughter during much of the second quarter was still running above year-earlier levels in many areas as feed reserves were badly depleted because of the drought. If forage supplies improve as expected, cattle slaughter will likely drop below the year-earlier level in the last half of 1978.

Meat consumption is expected to remain relatively high in 1978 as a result of continued large supplies. Beef and veal and lamb consumption should total near last year's levels, while pork and mutton consumption are forecast to increase slightly.

Beef and veal export supplies should be larger than were earlier forecast because of the larger beef production forecast. Beef and veal exports are forecast to total around 360,000 tons, 11 percent below last year's level.

The United States will remain the primary market for New Zealand's beef exports. The New Zealand voluntary restraint level for meat exports (primarily frozen beef) subject to the U.S. Meat Import Law was increased in June by 19,100 tons, product weight to around 142,800 tons. With attractive U.S. boneless beef prices and the uncertainty of purchases by the USSR and East European countries, New Zealand is expected to fill the new restraint level.

Canada will likely be New Zealand's second largest market for beef this year. Beef exports to Canada are limited by Canadian quotas to about 28,000 tons, product weight. New Zealand is also expected to fill most of this quota, since Canadian beef prices have risen with those in the United States in recent months.

Japan is expected to more than double the 2,263 tons of beef, product weight, imported from New Zealand last year. Japanese imports from New

Zealand through April totaled 3,491 tons, 80 percent above the quantity imported during the same period in 1977. This increase resulted from higher Japanese import quotas and a slight increase in the New Zealand share of the Japanese beef market.

Sales of beef from New Zealand to the USSR and East European countries during 1978 have been very limited. With the expected larger exports of beef to the United States, exports to the USSR and East European countries will likely drop sharply in 1978.

Sheep production during the last 3 years has expanded as poor returns in the cattle industry compared with those in the sheep business have encouraged many farmers to shift to sheep production. Because sheep production continues to be much more profitable than cattle farming, this trend is expected to continue in 1978, though possibly at a slower rate. Sheepmeat production in 1978 is expected to increase by 4 percent over the 1977 level, while exports are expected to be up slightly.

Central America

Beef and veal production in Central America ^{1/} is forecast to increase 10 percent to 426,000 tons in 1978. This increase is a result of a build-up in cattle inventories and slaughter levels over the past few years. As of January 1, 1978, cattle inventories were estimated at 14.4 million head, 3 percent above the year-earlier level. Cattle slaughter, which will result in the increased production levels, is estimated at about 2.3 million head, a 9 percent increase over the 1977 level of 2.1 million head.

Pasture conditions in Central America are changing from poor to fair as the dry season is coming to an end about 6 weeks earlier than usual. In the Dominican Republic weather and pasture conditions are finally back to normal. Cattlemen throughout these countries are holding cattle back so that they can put heavier weights on their animals to be marketed during the latter part of 1978.

The United States continues to be the traditional market for beef exports from the Central American countries. The Central American countries have agreed to participate once again in the U.S. voluntary restraint program for meat imports. The original restraint level in 1978 for these countries was set at 98,385 tons, product weight, about 1,542 tons above the 1977 level. On June 8, President Carter announced that total U.S. imports of fresh, chilled, and frozen beef, veal, and mutton, and goat would be increased by 90,719 tons to 676,903 tons.

^{1/} For this publication, Central America consists of the Dominican Republic, Haiti, Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

Under the new voluntary restraint agreements, Central America's new level is 113,581 tons, a 15,196-ton increase. As of June 3 actual shipments from Central America amounted to 38,774 tons, a 20 percent drop from the same period a year earlier. The drop in exports can be attributed to the fact that the Dominican Republic and Belize have made no shipments to the United States so far in 1978. The Dominican Republic's export ban on beef plus the fact that most of the other countries did not have a carryover in the beginning of the year are factors contributing to this current low level of imports. Central American exports of beef are expected to increase in the latter part of the year, primarily in the fall, when seasonally heavier slaughter occurs. Total beef exports from the area in 1978 are forecast at 155,000 tons, a 22 percent increase over the 1977 level.

Lower U.S. beef prices in 1976 and 1977 and voluntary restraints on exports to the United States caused some Central American countries to develop other markets, especially in Venezuela and the Middle East. With higher U.S. prices for imported boneless beef in 1978, the Central American countries are expected to export almost solely to the United States.

Beef and veal production represents 80 percent of total meat production in Central America. Pork and poultry production and consumption in these countries are very low--approximately 2 kilograms each per capita. Presently, the Central American Governments are making an intensive effort to expand their poultry industries. Expansion is occurring rapidly and will continue to do so. However, most of these countries started from a relatively low base. The pork industry is expanding but at a slower pace. In most of the countries the pork industries are still based on a backyard type of production.

Mexico

Because of a drought that began last fall and continues in part of Northern Mexico, Mexican beef and veal output is now forecast at 1.04 million tons, up 2 percent from the May 1 estimate and about the same as the 1977 level. Earlier expectations of herd rebuilding have been altered by the drought. In 1978 cattle slaughter is forecast at 6.1 million head. Total cattle numbers at the end of 1978 are forecast of 28.8 million head, the same as at the end of 1977.

Dry conditions occurred in the northwestern states of Coahuila, Nuevo Leon, Tamaulipas, and parts of Chihuahua. The weather had been so hot in these states that many ponds dried up, forcing some cattle ranchers to sell off cattle to producers in other parts of Mexico or to meat packers. In the southern part of Mexico, especially in Veracruz and Tabasco, weather conditions and pastures were excellent. Most cattle producers in both parts of Mexico are hoping for a good rainy season so that they can put heavier weights on animals to be marketed later in 1978.

Pork production is forecast to increase 3 percent over the 1977 level of 428,000 tons. Poultry meat production in 1978 is forecast at 331,000 tons, slightly above year-earlier level. Total red meat consumption is expected to increase 1 percent over the year-earlier level. Beef and veal, and mutton and goat meat consumption is forecast at 1.01 million and 55,200 tons, respectively, the same as a year earlier. Out of total red meat consumption, pork consumption is expected to show a 3 percent increase to 443,000 tons. A moderate expansion in the pork industry over the next few years will likely assure further moderate increases. Consumption of lamb is expected to remain relatively stable at 55,000 tons.

U.S. imports of Mexican beef subject to the Meat Import Law were originally estimated at 28,622 tons, product weight, about 454 tons above the 1977 level. As a result of President Carter's decision to increase beef imports, Mexico's share was increased 15 percent under the bilateral agreement. As of June 24, actual shipments from Mexico have amounted to 15,293 tons, a 10 percent increase over the same period of a year earlier. Mexican exports may not reach the higher U.S. commitment level despite the large volume of exports in the first part of 1978. The Government of Mexico has decided that with the problems of inflation and higher beef prices for retail cuts, it may be better to export less and make sure there is an adequate supply of beef for the domestic market. During 1978, Mexico is also expected to export about 544 tons of fresh, chilled, and frozen beef and veal to Japan.

Argentina

The level of cattle slaughter in Argentina continues to increase as it has each year since 1974. The present high slaughter rate is a result of herd culling, which is expected to continue at an even greater rate through the second and third quarters of this year. As a result, the Argentine cattle herd is forecast to drop to 55.1 million head by the end of this year. Beef and veal production is forecast at a record 3.1 million tons for 1978. In the first quarter, beef and veal production was about 15 percent more than during the comparable period in 1977.

Argentine exports of beef and veal are forecast at 760,000 tons for 1978. This is about 25 percent above the 1977 level and only 2 percent below the record of 775,000 tons in 1969. Total Argentine meat exports for the first 5 months of 1978 reached 231,437 tons, product weight, compared with 186,412 tons in 1977. Beef and veal was 74 percent (170,524 tons) of the total. Exports of processed beef to Europe and the United States are expected to be greater in 1978 because of anticipated smaller volumes of beef from Brazil, Uruguay, and Paraguay. Fresh, chilled, and frozen beef exports will also be larger, with Brazil--normally only a small importer of beef from Argentina, possibly purchasing 60,000--70,000 tons.

Domestic consumption is forecast to increase to about 91.4 kilograms per capita or to 2.35 million tons for 1978, up from 2.28 million tons in 1977.

Consumption of other red meat is forecast to drop substantially as prices have been rapidly increasing, especially for pork.

Uruguay

The production of beef and veal in Uruguay is forecast to reach 375,000 tons in 1978. This level is about 3 percent above 1977 production but substantially below the record output of over 400,000 tons in 1976. The high level of output in 1976 was in response to Governmental policy that favored exports at the expense of domestic consumption. Wholesale and retail prices had been maintained at relatively low levels so that producers were reluctant to deliver to slaughter plants serving the domestic market, but supplies were available from export plants, where prices were higher.

Several policy changes were made during 1977 that are expected to increase slaughter moderately over 1977 levels. These changes included measures to improve producer prices and encourage marketings, particularly of heavier cattle over 3 years of age. They also include the raising of domestic wholesale and retail prices plus the setting up a reserve of some 15,000 tons of beef to assure available supplies for the big population centers of Montevideo and Canelones. Thus, 1978 beef consumption is currently forecast to increase by about 3 percent over 1977 levels.

The Government of Uruguay is weighing carefully its export commitments in view of concern about sufficient supplies for its domestic markets. In 1977, Uruguay exported beef to over 40 different international markets. The present Uruguayan beef export estimate for 1978 is 134,000 tons, only slightly above 1977 levels. The early 1978 exports of 50,000 tons of beef, chilled compensated quarters, to Brazil are expected to be followed by a second contract negotiation of 50,000 tons to be delivered during the second half of 1978. In addition, trade sources indicate that Egypt is strongly interested in continuing meat purchases from Uruguay.

This circular was prepared by the Dairy, Livestock, and Poultry Division, CP/FAS. For further information contact John E. Riesz, (202) 447-7217

TABLE 1--BEEF AND VEAL: IMPORTS BY SELECTED COUNTRIES AND TOTAL FOR ALL COUNTRIES, 1974-78 (CARCASS WEIGHT EQUIVALENT)
(In thousands of metric tons)

Country	1974	1975	1976	Estimated 1977	Forecast 1978 1/
United States.....	747	808	953	890	1025
EC 2/.....	429	286	464	457	430
Canada.....	84	87	143	89	91
Japan.....	77	64	130	121	135
Spain.....	14	27	44	50	45
Greece.....	26	36	79	80	85
Switzerland.....	20	11	15	15	17
German Democratic Rep.:	10	9	9	9	10
USSR.....	293	372	275	350	100
Brazil.....	53	29	27	35	125
Portugal.....	36	24	36	53	26
Other countries.....	253	626	778	825	850
Total	2,042	2,379	2,951	2,974	2,939

1/ FAS estimates. 2/ Excludes intra-trade.

TABLE 2--BEEF AND VEAL: EXPORTS BY SELECTED COUNTRIES AND TOTAL FOR ALL COUNTRIES, 1974-78 (CARCASS WEIGHT EQUIVALENT)
(In thousands of metric tons)

Country	1974	1975	1976	Estimated 1977	Forecast 1978 1/
P.L. 88-482: 2/.....					
Australia	486	744	860	1,087	1,000
New Zealand 3/.....	258	305	383	403	360
Canada.....	27	21	59	51	60
Mexico.....	19	14	23	30	30
Central America 4/..:	115	124	145	127	155
Subtotal.....	905	1,208	1,470	1,698	1,605
EC 5/.....	207	234	195	137	135
Argentina.....	289	266	534	605	760
Uruguay.....	120	113	195	129	134
Other countries.....	530	525	560	560	495
Subtotal.....	1,146	1,138	1,484	1,431	1,524
Grand total.....	2,051	2,346	2,954	3,129	3,129

1/ FAS forecast. 2/ Excludes Ireland. 3/ Year ending September. 4/ Includes Dominican Republic and Haiti. 5/ Excludes intra-trade

SOURCE: Reports of U.S. Agricultural Attaches

July 1978

Commodity Programs, FAS, USDA

TABLE 3.--BEEF AND VEAL: CONSUMPTION, PRODUCTION, AND IMPORTS FOR UNITED STATES,
EC AND JAPAN, 1972 TO DATE--CARCASS WEIGHT EQUIVALENT

Country and year	Per Capita consumption	Domestic production	Index: 1972 =100	Quantity 1,000 M.T.	Index: 1972 =100	Quantity 1,000 M.T.	Imports 1/ Index: 1972 =100	Share of production: percent	Share of world imports: percent	Cents per kg.	Wholesale prices 2/ Index 1972 =100
United States:											
1972	54	10,377	100	905	100	9	35	116.62	100		
1973	51	9,813	95	917	101	9	33	142.37	122		
1974	54	10,716	103	747	83	7	37	144.14	124		
1975	56	11,271	109	808	89	7	34	149.36	128		
1976	61	12,166	117	953	105	8	32	127.56	109		
1977 3/	59	11,845	114	890	98	8	30	128.33	110		
1978 4/	56	11,300	109	1,025	113	9	35	160.00	137		
EC:											
1972	25	5,506	100	952	100	17	37	186.62	100		
1973	25	5,575	101	1,008	106	18	36	237.94	127		
1974	26	6,585	120	429	45	7	21	229.98	123		
1975	26	6,568	119	286	30	4	12	276.81	148		
1976	25	6,529	119	464	49	7	16	281.44	151		
1977 3/	25	6,379	116	457	48	7	15	304.72	163		
1978 4/	26	6,480	118	430	45	7	15	350.00	188		
Japan:											
1972	4	295	100	87	100	29	3	280.34	100		
1973	4	227	77	194	223	85	7	478.31	171		
1974	3	292	99	77	89	26	4	396.39	141		
1975	4	353	120	64	74	19	3	487.22	174		
1976	4	298	101	130	149	44	4	578.49	206		
1977 3/	4	361	122	121	139	34	4	615.83	220		
1978 4/	4	375	127	135	155	36	5	675.00	241		

1/ Intra-trade excluded for EC and world total. 2/ U.S.: dressed fresh beef, good--600-700 pounds, Midwest; EC: Hamburg--wholesale price of bullock and heifers; Japan: fattened Wagyu cattle. 3/ Preliminary. 4/ Estimate.

SOURCE: Reports of U.S. Agricultural Attaches

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TABLE 4--MEAT PRODUCTION IN MAJOR IMPORTING AREAS, 1974-78
CARCASS WEIGHT EQUIVALENT
(In thousands of metric tons)

Commodity and country	1974	1975	1976	Estimated 1977	Forecast 1978
Beef and veal:					
United States.....	10,716	11,271	12,166	11,845	11,300
Canada.....	942	1,050	1,139	1,143	1,060
EC.....	6,585	6,658	6,529	6,379	6,480
Japan <u>3/</u>	292	353	298	361	375
Total.....	18,535	19,332	20,132	19,728	19,215
Pork:					
United States.....	6,500	5,343	5,755	6,000	6,125
Canada.....	611	521	512	539	570
EC.....	7,730	7,750	7,854	8,139	8,253
Japan <u>3/</u>	958	1,039	1,056	1,169	1,205
Total.....	15,799	14,653	15,177	15,847	16,153
Mutton and lamb:					
United States.....	211	186	168	159	142
Canada.....	8	8	8	5	5
EC.....	508	529	534	513	535
Japan <u>3/</u>	1/	1/	1/	1/	1/
Total.....	727	723	710	677	682
Poultry: <u>2/</u>					
United States.....	4,938	4,825	5,379	5,537	5,919
Canada.....	469	412	458	474	482
EC.....	3,126	3,101	3,341	3,468	3,569
Japan.....	740	756	839	919	955
Total.....	9,273	9,094	10,017	10,398	10,925
Total meat:					
United States.....	22,365	21,625	23,468	23,541	23,486
Canada.....	2,030	1,991	2,117	2,161	2,117
EC.....	17,949	18,038	18,258	18,499	18,837
Japan.....	1,990	2,006	2,193	2,449	2,535
Total.....	44,334	43,802	46,036	46,650	46,975

1/ Less than 500 tons. 2/ Product weight basis. 3/ Prior to 1976
Japanese Ministry of Health and Welfare, 1976 forward Japanese Ministry of
of Agriculture and Forestry.

SOURCE: Reports of U.S. Agricultural Attaches

July 1978

Commodity Programs, FAS, USDA

TABLE 5--NET MEAT IMPORTS IN MAJOR IMPORTING AREAS,
1974-78 (CARCASS WEIGHT EQUIVALENT)
(In thousands of metric tons)

Commodity and country	1974	1975	1976	Estimated 1977	Forecast 1978
Beef and veal:					
United States.....	718	784	912	844	965
Canada.....	57	66	85	39	31
EC 1/.....	222	52	263	327	295
Japan.....	77	64	130	121	135
Total.....	1,074	966	1,390	1,331	1,426
Pork:					
United States.....	172	101	69	66	80
Canada.....	-5	4	50	46	- 5
EC 1/.....	-102	0	-33	-82	-90
Japan.....	60	178	204	152	225
Total.....	125	283	290	182	210
Mutton and lamb:					
United States.....	10	10	15	8	13
Canada.....	22	20	17	14	12
EC 1/.....	235	254	254	254	240
Japan.....	180	262	272	296	330
Total.....	447	546	558	572	595
Poultry: 2/					
United States.....	-74	-95	-183	-189	-195
Canada.....	1	10	32	24	19
EC 1/.....	-88	-65	-99	-167	-187
Japan.....	25	19	36	45	49
Total.....	-136	-131	-214	-287	-314
Total Meat:					
United States.....	826	800	813	729	863
Canada.....	75	100	184	123	57
EC 1/.....	267	241	385	332	258
Japan.....	342	523	642	614	739
Total.....	1,510	1,664	2,024	1,798	1,917

1/ Excludes intra-trade. 2/ Product weight basis.

SOURCE: Reports of U.S. Agricultural Attaches

July 1978

Commodity Programs, FAS, USDA

TABLE 6--PRODUCTION AND EXPORTS OF BEEF AND VEAL BY MAJOR EXPORTING COUNTRIES, 1974-78 (CARCASS WEIGHT EQUIVALENT)
(In thousands of metric tons)

Item	1974	1975	1976	Estimated 1977	Forecast 1978
Production:					
P.L. 88-482 countries: <u>1/</u>					
Australia.....	1,268	1,697	1,870	2,093	1,900
New Zealand <u>2/</u>	405	508	612	559	520
Central America <u>3/</u>	318	340	371	388	426
Mexico.....	844	889	986	1,040	1,040
Subtotal.....	2,835	3,434	3,751	4,056	3,886
Other:					
Argentina.....	2,163	2,439	2,811	2,909	3,093
Uruguay.....	330	345	405	363	374
Subtotal.....	2,493	2,784	3,216	3,272	3,467
Total.....	5,328	6,218	6,938	7,328	7,353
Exports:					
P.L. 88-482 countries: <u>1/</u>					
Australia.....	486	744	860	1,087	1,000
New Zealand <u>2/</u>	258	305	383	403	360
Central America <u>3/</u>	115	124	145	127	155
Mexico.....	19	14	23	30	30
Subtotal.....	877	1,187	1,411	1,647	1,545
Other:					
Argentina.....	289	266	534	605	760
Uruguay.....	120	113	195	129	134
Subtotal.....	409	379	729	734	894
Total.....	1,286	1,567	2,140	2,381	2,439

1/ Excludes Canada and Ireland. 2/ Year ending September. 3/ Includes Haiti and Dominican Republic

SOURCE: Reports of U.S. Agricultural Attaches

July 1978

Commodity Programs, FAS, USDA

TABLE 7--PRODUCTION AND EXPORTS OF MUTTON AND LAMB BY MAJOR EXPORTING COUNTRIES, 1974-78 (CARCASS WEIGHT EQUIVALENT)
(in thousands of metric tons)

COUNTRY	1974	1975	1976	Estimated 1977	Forecast 1978
Production:					
Australia.....	468	548	593	544	495
New Zealand <u>1</u> /.....	498	491	513	598	517
Argentina.....	112	123	129	133	116
Total.....	1,078	1,162	1,233	1,275	1,128
Exports:					
Australia.....	123	194	264	272	252
New Zealand <u>1</u> /.....	349	403	405	406	410
Argentina.....	25	27	39	33	25
Total	497	624	708	711	687

1/ Year ending September

SOURCE: Reports of U.S. Agricultural Attaches

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